



PREMIUM
TEXTILE
MILLS



**QUARTERLY REPORT
(UN-AUDITED)**

Financial Statements
For The First Quarter
Ended 30th Sept 2022

CONTENTS

02 DIRECTORS' REPORT

06 BALANCE SHEET

07 PROFIT AND LOSS ACCOUNT

08 STATEMENT OF
COMPREHENSIVE INCOME

09 STATEMENT OF CHANGES IN
EQUITY

10 CASH FLOWS STATEMENT

11 EARNING PER SHARE

12 NOTES TO THE FINANCIAL
STATEMENTS

DIRECTORS' REPORT

FOR THE 1st QUARTER ENDED 30th SEPTEMBER, 2022

Dear Members,

The Directors would like to present the Accounts of the Company for the 1st quarter ended 30th September, 2022. The overall Performance of the company is summarized below:

	July – Sept 2022	July – Sept 2021
Operating Profit	1,523,417,864	1,236,083,732
Financial & Others	(134,317,096)	(96,064,344)
Profit before Taxation	1,389,100,768	1,140,019,388
Taxation	(68,955,071)	(42,284,465)
Profit after Taxation	1,320,145,697	1,097,734,923
Earnings per share	214.21	178.12
Gross Margin %	28.99%	33.06%
Operating Profit %	26.43%	29.55%
Net Profit after tax%	22.90%	26.25%

Operating Result

During the period under review, the company has made a profit after tax of Rs. 1,320.145 million as compared to Rs.1,097.735 million during the same period of last year due to an increase in sales volume. There is a reduction in gross profit % and operating profit % because of increase in cost of production per bag as compared to last year. Financial charges have increased due to an increase in short-term running finance. Other income increased due to exchange gain on foreign debtors.

We are trying to stay in the black by adopting cost-cutting measures and adopting the "just in time" approach etc.

We hope to earn profits for you and the company even in the difficult time to come.

Future Outlook

It would not be correct or overly pessimistic to say that we cannot expect the coming quarters to be as good as this one, for the simple reason that the demand and prices in the western countries where we export directly or indirectly have been badly hit by inflation and wars and political turmoil.

The Ukraine war has resulted in price hikes, especially for gas and electricity, and also food inflation is hitting the roof. Now, people are forced to choose how to allocate their money. Obviously, the first priority will go to food, then heating for the winter then will come things like clothes.

Acknowledgements

We are grateful to almighty Allah, who helped us to come up to the expectation of our valued shareholders, who had reposed their confidence in us, and are also pleased to record our appreciation for dedicated hard-working management, staff members & workers without which it could not have been possible for us to deliver these results. Your Board would also like to thank our valued customers, and bankers for their continued Trust in the company.

ON BEHALF OF THE BOARD OF DIRECTORS



Mr. Abdul Kadir Adam
Chief Executive Officer



Mr. Yasin Siddik
Executive Director

28th October, 2022
Karachi.

ڈائریکٹر کی رپورٹ
30 ستمبر کو ختم ہونے والی پہلی سنوائی کے لئے

معزز ممبران

ڈائریکٹر 30 ستمبر 2022 کو ختم ہونے والی پہلی سنوائی کے لئے کمپنی کے اکاؤنٹس پیش کرنا چاہتے ہیں۔

کمپنی کی کارکردگی کا خلاصہ درج ذیل دیا گیا ہے۔

جولائی- ستمبر 2021	جولائی- ستمبر 2022	
1,236,083,732	1,523,417,864	آپریٹنگ منافع
<u>(96,064,344)</u>	<u>(1,34,317,096)</u>	مالیاتی اور دیگر
1,140,019,388	1,389,100,768	ٹیکس سے پہلے کا منافع
(42,284,465)	(68,955,071)	ٹیکس
1,097,734,923	1,320,145,697	ٹیکس کے بعد کا منافع
178.12	214.21	فی شیئر آمدنی
33.06%	28.99%	مجموعی مارجن %
29.55%	26.43%	آپریٹنگ منافع %
26.25%	22.90%	ٹیکس کے بعد خالص منافع %

آپریٹنگ نتیجہ

زیر جائزہ مدت کے دوران، کمپنی نے بعد از ٹیکس منافع کمایا ہے فروخت کے حجم میں اضافے کی وجہ سے پچھلے سال کی اسی مدت کے دوران مبلغ 1,097.737 ملین روپے کے مقابلے میں مبلغ 1,320.145 ملین روپے پچھلے سال کے مقابلے میں فی بیگ پیداواری میں اضافے کی وجہ سے مجموعی منافع % اور آپریٹنگ منافع % میں کمی ہے۔

شارٹ ٹرم رنگ فنانس میں اضافے کی وجہ سے مالیاتی چارجز میں اضافہ ہوا ہے غیر ملکی قرض دہندگان پر زرمبادلہ کے منافع کی وجہ سے دیگر آمدنی میں اضافہ ہوا ہے۔

مستقبل کی پیش گوئی۔

یہ کہنا درست یا حد سے زیادہ مایوسی پر مبنی نہیں ہوگا کہ ہم آنے والی سنواہیوں کے اتنے اچھے ہونے کی توقع نہیں کر سکتے اس کی سادہ وجہ طلب اور قیمتیں ہے۔

مغربی مملکت جہاں سے ہم بالواسطہ یا بلاواسطہ پر آدات کرتے ہیں وہ مہنگائی اور جنگوں امر سیاسی انتشار کی وجہ سے بری طرح متاثر ہو چکے ہیں۔

یوکرائن کی جنگ کے نتیجے میں خاص طور گیس اور بجلی کی قیمتوں میں اضافہ ہوا ہے اور ایشیائے خوردنوش کی قیمتی تیزی سے بڑھتی جا رہی ہے اب لوگ اس بات کا انتخاب کرنے پر مجبور ہیں کہ اپنے پیسے کیسے مختص کریں ظاہر ہے پہلے ترجیح کھانے کو دی جائے گی، پھر سردیوں کے لئے گرم کرنا جیسا کہ پٹریں وغیرہ۔

اعتراف

ہم اللہ تعالیٰ کے شکر گزار ہیں جس نے ہمارے قابل قدر شیئر ہولڈرز کی امیدوں پر پورا اترنے میں ہماری مدد کی، جنہوں نے ہم پر اعتماد کا اظہار کیا اور ایک سرشار محنتی انتظامیہ، عملے کے ارکان اور کارکنوں کے لئے اپنی تعریف ریکارڈ کرتے ہوئے خوشی محسوس کی۔ ان نتائج تک پہنچنا ہمارے لئے ممکن نہیں تھا آپ کا بورڈ ہمارے قابل قدر صارفین، بینکرز، کا شکر یہ ادا کرنے چاہئے جنہوں نے کپٹنی پر مسلسل اعتماد کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے



جناب یاسین صدیق
ایگزیکٹو ڈائریکٹر



جناب عبدالقادر آدم
چیف ایگزیکٹو

28 اکتوبر 2022

کراچی

BALANCE SHEET (UN-AUDITED)

AS AT SEPTEMBER 30, 2022

	(Un-Audited) 30-Sep-22 Rupees	(Audited) 30-Jun-22 Rupees
Property Plants' and Equipment	10,638,055,532	10,011,202,510
Long Term advances & deposits	16,147,290	19,323,290
CURRENT ASSETS		
Stores and spares	366,032,774	208,821,081
Stock-in-trade	9,192,517,083	5,689,599,588
Trade debts (unsecured considered good)	5,025,208,022	4,466,962,934
Tax refunds due from government	185,139,603	121,503,904
Advances, Trade deposit, prepayment & other receivables	512,218,104	138,880,056
Cash & bank balances	773,227,798	286,160,873
	16,054,343,384	10,911,928,436
	26,708,546,206	20,942,454,236
SHARE CAPITAL		
Authorized Capital: 7,000,000 ordinary shares of Rs. 10/-	70,000,000	70,000,000
Issued Subscribed and Paid-up Capital 6,163,000 ordinary shares of Rs.10/-	61,630,000	61,630,000
Surplus on revaluation of fixed assets	1,214,973,078	1,246,126,234
Un-appropriated profit brought forward	8,351,590,256	7,000,291,403
	9,628,193,334	8,308,047,637
Long Term Loan	5,157,363,521	4,743,782,747
Deferred Liabilities	1,179,946,232	1,198,268,756
CURRENT LIABILITIES		
Trade and other payables	2,033,163,242	1,217,162,511
Unclaimed Dividend	9,795,974	9,795,974
Accrued Markup	254,778,051	149,164,863
Short term finance	7,744,151,432	4,745,077,327
Current portion of Long term loans	701,154,420	571,154,421
	10,743,043,119	6,692,355,096
Contingencies & commitments	-	-
	26,708,546,206	20,942,454,236

The annexed notes form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

	FIRST QUARTER JUL'22-SEP'22 2022 Rupees	FIRST QUARTER JUL'21-SEP'21 2021 Rupees
Sales	5,764,121,528	4,182,566,272
Cost of Sales	(4,092,980,951)	(2,799,597,701)
Gross Profit	1,671,140,577	1,382,968,571
Operating Expenses		
Administration & General	(81,459,806)	(48,980,576)
Distribution Costs	(66,262,907)	(97,904,263)
	(147,722,713)	(146,884,839)
Operating Profit	1,523,417,864	1,236,083,732
Financial Charges & Others	(294,414,363)	(116,760,717)
Other Income / (Loss)	160,097,267	20,696,373
	(134,317,096)	(96,064,344)
Profit/(Loss) before taxation	1,389,100,768	1,140,019,388
Taxation		
Current	(61,269,328)	(41,018,096)
Deferred	(7,685,743)	(1,266,369)
	(68,955,071)	(42,284,465)
Profit/(Loss) after taxation	1,320,145,697	1,097,734,923
Earning per share of Rs.10 each	214.21	178.12

Appropriation has been reflected in the statement of changes in equity.

The annexed notes form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

	FIRST QUARTER JUL'22-SEP'22 2022 Rupees	FIRST QUARTER JUL'21-SEP'21 2021 Rupees
Profit after taxation	1,320,145,697	1,097,734,923
Others Comprehensive income		
- Actuarial (loss) on defined benefits	-	-
Total Comprehensive Income for the period	<u><u>1,320,145,697</u></u>	<u><u>1,097,734,923</u></u>

The annexed notes form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

Particulars	Paid-up Capital	Unappropriated Profit	Surplus on revaluation	Total
Balance as at July 2021	61,630,000	3,307,989,262	2,953,067	3,372,572,329
Total Comprehensive Income				
Profit/ (Loss) for the period (Jul'21 to Sep'21)		1,097,734,923	-	1,097,734,923
Others Comprehensive income		-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit		73,827	(73,827)	-
Balance as at 30th September 2021- un-audited	61,630,000	4,405,798,012	2,879,240	4,470,307,252
Total Comprehensive Income				
Profit / (Loss) for the period (Oct'21 to Jun'22)		3,212,642,457	-	3,212,642,457
Others Comprehensive income		(2,582,072)	1,243,980,000	1,241,397,928
Revaluation surplus realized on disposal of Fixed Assets		568,362	(568,362)	-
Transfer from surplus on revaluation of assets to unappropriated profit		164,644	(164,644)	-
Final Dividend @ 500% for Jun 30, 2021		(308,150,000)	-	(308,150,000)
Interim Dividend @ 500% for Jun 30, 2022		(308,150,000)	-	(308,150,000)
Balance as of 30th June 2022- Audited	61,630,000	7,000,291,403	1,246,126,234	8,308,047,637
Total Comprehensive Income				
Profit / (Loss) for the period (Jul'22 to Sep'22)		1,320,145,697	-	1,320,145,697
Others Comprehensive income		-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit		31,153,156	(31,153,156)	-
Balance as at 30th September 2022- un-audited	61,630,000	8,351,590,256	1,214,973,078	9,628,193,334

The annexed notes form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

CASHFLOW STATEMENT (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

First Quarter Ended

	Sept 30, 2022	Sep 30, 2021
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	1,389,100,768	1,140,019,388
Adjustments for non cash items:		
Depreciation	199,836,333	164,116,438
Financial cost	294,414,363	116,760,717
Provision of Gratuity	11,246,538	8,752,419
(Gain) / Loss on Disposal of Fixed Assets	(1,912,037)	(486,080)
Exchange Loss / (Gain) on import	(74,706,692)	-
Exchange Loss / (Gain) on export debtors	(83,478,538)	(20,210,293)
	345,399,967	268,933,201
Operating profit before working capital changes	1,734,500,735	1,408,952,589
Changes in Working Capital:		
(Increase)/ Decrease in current assets		
Stores and spares	(157,211,693)	10,286,333
Stock in trade	(3,502,917,495)	(1,271,260,406)
Trade debts	(558,245,088)	(160,032,717)
Advances, Trade deposit, prepayment& other receivables	(373,338,048)	(90,605,449)
Sales Tax (refundable)/payable	(50,876,437)	(57,550,113)
Increase/ (Decrease) in current liabilities:		
Trade and other payables	814,000,731	237,806,254
Changes in Working Capital:	(3,826,588,030)	(1,331,356,096)
Cash generated from operations	(2,092,087,295)	77,596,493
Taxes (paid)/refund	(74,028,589)	(36,831,973)
Staff gratuity(paid)	(2,985,049)	(1,169,538)
Payment of W.P.P.F. and W.W.F.	-	(80,769,713)
Long term deposits	3,176,000	-
Financial charges (paid)	(188,801,175)	(112,254,576)
	(262,638,813)	(231,025,800)
Net cash from operating activities	(2,354,726,108)	(153,429,307)
CASH FLOW FROM INVESTING ACTIVITIES		
Insurance claim receivable	-	3,795,000
Proceed from the sale of fixed assets	7,895,800	6,903,600
Acquisition of property, plant & equipment	(690,389,814)	(238,641,696)
Net cash (outflow) from investing activities	(682,494,014)	(227,943,096)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan obtained	603,771,315	35,856,000
Loan (paid)	(78,558,373)	(27,273,844)
Net cash from/(used in) financing activities	525,212,942	8,582,156
Increase/(Decrease) in cash	(2,512,007,180)	(372,790,247)
Cash and cash equivalent as at Jul 1,	(4,458,916,454)	(3,003,963,070)
Cash and cash equivalent as at Sep 30,	(6,970,923,634)	(3,376,753,317)
CASH & CASH EQUIVALENT		
Cash & bank balance	773,227,798	17,276,687
Short term running finance	(7,744,151,432)	(3,394,030,004)
	(6,970,923,634)	(3,376,753,317)

The annexed notes form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

EARNING PER SHARE (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

	FIRST QUARTER ENDED	
	30-Sep 2022	30-Sep 2021
	Rupees	Rupees
Net profit after tax for the period	1,320,145,697	1,097,734,923
Number of Ordinary shares	6,163,000	6,163,000
Earning per share	<u>Rs. 214.21</u>	<u>Rs. 178.12</u>



Chief Executive Officer



Director



Chief Financial Officer

SELECTED EXPLANATORY NOTES TO THE ACCOUNTS

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

1) THE COMPANY & ITS OPERATION

Premium Textile Mills Limited (the Company) was incorporated in Pakistan on March 03, 1987, as a public limited company under the Companies Ordinance,1984 (the Ordinance) [now Companies Act, 2017] and is listed on Pakistan Stock Exchange Limited. The Company's principal activity is manufacturing and selling Cotton Yarn and Polyester Yarn.

The geographical location and address of the company's business units, including the plant are as under:

- The registered office of the Company is located on the 1st Floor, Haji Adam Chambers, Altaf Hussain Road, New Challi, Karachi.
- The Company's manufacturing plant/mill is located at plots 58, 60, 61 & 76, 77, and 78 Main Super Highway, Nooriabad, District Dadu (Sindh), Pakistan.

2) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for Financial reporting. The accounting and reporting standards as applicable in Pakistan for financial reporting comprise of:

International Accounting Standard (IAS), Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and Provisions of and directives issued under the Companies Act, 2017

3) These accounts are unaudited and are being submitted to shareholders in accordance with the requirements of Section 237 of the Companies Act, 2017.

4) ACCOUNTING POLICIES

The accounting policies adopted and method of computation followed for the preparation of these financial statements are the same as those applied in preparing the preceding published annual financial statements of the Company.

5) RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise companies with common directorship, major shareholders, directors, key management personnel, and their close family members. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

	FIRST QUARTER JUL'22-SEP'22 2022 Rupees	FIRST QUARTER JUL'21-SEP'21 2021 Rupees
PREMIUM KNITS		
Sales of goods during the period	<u>162,729,339</u>	<u>NIL</u>
Outstanding balance due as of Sept 30,	<u>342,126,389</u>	<u>NIL</u>
PINNACLE FIBRE (PVT) LTD.		
Purchase of goods during the period	<u>183,302,938</u>	<u>123,145,223</u>
Outstanding balance due as of Sept 30,	<u>16,407,774</u>	<u>-</u>

SELECTED EXPLANATORY NOTES TO THE ACCOUNTS

FOR THE FIRST QUARTER ENDED SEPTEMBER,30, 2022

6) AUTHORISATION FOR ISSUE

These accounts have been authorized for issue on October, 28 2022 by the Board of Directors of the Company.

7) Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Director



Chief Financial Officer

UNDER POSTAL CERTIFICATE

BOOK POST PRINTED MATTER



If undeliverable please return to:
PREMIUM TEXTILE MILLS LIMITED
1st Floor, Haji Adam Chamber, Altaf Hussain
Road, New Challi, Karachi – 74000, Pakistan.
+92 213 2400405-8